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295 North Maple Avenue Basking Ridge, NJ 07920

Ms. Donna Searcy Secretary Federal Communications Commission 1919 M Street, N.W. - Room 222 Washington, D.C. 20554

Re: Ex Parte Meeting
Docket No. 92-77

Dear Ms. Searcy:

SEP 1 0 1992
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Today, Robert Castellano and I met with Tom Beers, Legal Assistant of the Common Carrier Bureau to discuss AT&T's position on "0+ public domain" and to review the attached charts. At a subsequent meeting, I met with Barbara Esbin of the Tariff Division and reviewed the same material.

Two copies of this Notice were submitted to the Secretary of the FCC on the date of the meeting in accordance with Section 1.1206(a) (1) of the Commission's Rules.

Sincerely,

Ronald B. Gramaglia Division Manager

Federal Regulatory Affairs

Rosald B. Granaghaypa

Copies to: B. Esbin T. Beers

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LISTABODE

# 0+ Public Domain

### **AT&T Position**

customers should not be denied the ability to use AT&T, or other IXC issued, "proprietary" calling cards to place 0+ calls from telephones presubscribed to the issuing carrier.

#### **Consumers:**

Consumers can only lose if the 0+ public domain proposal is adopted.

- 0+ "proprietary" calling card was developed to meet the needs of consumers.
- allowing an IXC's OSP competitors the ability to validate and bill calls made using its proprietary calling cards would deny customers the features, services and pricing options of their chosen carrier.
- requiring customers of IXCs who issue their own calling cards to dial an access code, when equal access arrangements would not otherwise require it, will cause needless confusion, inconvenience and frustration for tens of millions of customers.

### **Competition:**

The 0+ public domain proposal benefits some of the industry competitors, but not the competitive process.

- restricting the use of a 0+ "proprietary" card eliminates choices for consumers and lessens competition based on meeting customer needs.
- AT&T's new card did not reduce, but added to the available choices in the marketplace. The range of customer choice which exists today is precisely what a competitive market is designed to foster.
- with 52 million LEC cards and countless commercial credit cards in the market, OSPs have sufficient billing options available if they can convince end users of the merits of their service(s).
- all IXCs are free to issue calling cards in a format that best meets their customers' needs. The "mix" of features, functions and price believed to

# 0+ Public Domain

be most attractive to end users is a strategic decision for each IXC to make.

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1	Access	0+ / 10288	10333 / 800	800 / 950	
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	IntraLATA	LEC/AT&T	Sprint	мсі	

### Recommendations:

The 0+ public domain proposal is not in the public interest.

- recently enacted unblocking requirements will give consumers the ability to choose the carrier they desire; such requirements should be vigorously enforced.
- standardization and enforcement of signage requirements would facilitate end user choice. All OSPs and aggregators should participate in an effort to improve signage.

# 0+ Public Domain

## Zero Plus Dialing, Inc. plan:

It makes little sense for AT&T to provide validation services for its proprietary calling card to its competitors.

- the commission ruled in Docket No. 91-115 that CHD cards are NOT LEC joint-use cards, for which validation must be provided on a nondiscriminatory basis.
- this proposal would violate the principles stated in the LEC Joint Use Card Order.

Requiring AT&T to provide billing and collection services to its OSP competitors conflicts with the FCC's order detariffing these services.

- AT&T would have to make new arrangements with hundreds of LECs with which it has Billing and Collection agreements. Since these agreements are not subject to tariff requirements, they would have to be individually negotiated.
- customers use AT&T calling cards to be assured of AT&T service, features, pricing and pricing options (optional calling plans). This proposal defeats their reason for choosing an AT&T calling card.